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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 001947

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STATE FOR PM, EAP, EAP/RSP, AND EAP/MTS USPACOM ALSO FOR FPO HUSO JOINT STAFF J5 (WILKES/ROBINSON/CLEMMONS) SECDEF OSD/ISA/AP (TOOLAN/REDMON)

E.O. 12958: DECL: 06/12/2012
TAGS: PREL EAID MASS MCAP PTER PINS RP
SUBJECT: PM A/A/S MULL'S VISIT UNDERSCORES COOPERATION WITH
THE PHILIPPINES

REF: A. MANILA 01930

¶B. MANILA 01881

Classified By: Ambassador Kristie A. Kenney, reasons 1.4(b) and (d)

11. (C) Summary: Acting Assistant Secretary for Political-Military Affairs Stephen Mull met with top Philippine civilian and military leaders during his June 6-8 visit to the Philippines. He also traveled with the Ambassador to Jolo to attend a major Rewards for Justice ceremony (ref a). In his Manila meetings, A/A/S Mull discussed ongoing counterterrorism operations in the southern Philippines, Philippine Defense Reform, and the Philippine National Police Transformation Program. A/A/S Mull solicited Philippine participation in the Global Peacekeeping Operations Initiative and complimented his Philippine interlocutors on recent counterterrorism successes. End summary.

A Billion Dollar Upgrade for AFP?

- 12. (C) National Intelligence Coordinating Agency (NICA) officials provided A/A/S Mull with an intelligence briefing on domestic and international terrorist activities in the Philippines, notably by the Abu Sayyaf Group and Jemaah Islamiyyah. Separate briefings focused on the threat posed by the New People's Army (NPA) and on the status of peace talks between the Philippine Government and the Moro Islamic Liberation Front (MILF). National Security Advisor Norberto Gonzales characterized as "disturbing" a recent Supreme Court ruling that dismissed rebellion charges against six leftist Members of Congress (ref b). He also expressed concern that the new anti-terror law (the "Human Security Act of 2007") would be ineffective against the NPA.
- 13. (C) Gonzales described the Philippine government's US\$1 billion plan to upgrade the Armed Forces of the Philippines (AFP). Gonzales noted that procurements would rely on Philippine national funds, adding that he hoped to buy the majority of equipment via Foreign Military Sales (FMS). Gonzales said that FMS procurement would ensure compatibility with existing equipment, which is largely of U.S. origin, and spare the AFP from allegations of waste and corruption. He added that a strong AFP is crucial to national security and observed that a radical upgrade of the military would show the world that the Philippines is "serious about security." Gonzales claimed that the FMS proposal is "under discussion

Humanitarian Assistance Turned the Tide

- 14. (C) A/A/S Mull complimented the AFP on its ongoing defense reform program and recent operational successes in Jolo during a meeting with Undersecretary of Defense Antonio Santos and AFP Chief of Staff General Hermogenes Esperon. Santos acknowledged that U.S. assistance was essential to these accomplishments. Recognizing that the Philippines is a major contributor to peacekeeping operations worldwide, A/A/S Mull solicited AFP participation in the Global Peacekeeping Operations Initiative, which he noted President Bush and the G-8 had launched. U/S Santos and General Esperon expressed interest, adding that plans are under consideration for the creation of a dedicated Filipino peacekeeping unit.
- 15. (C) General Esperon lauded the effectiveness of combining a soft and hard approach to counterterrorism, noting that "humanitarian assistance turned the tide" in operations on the southern Philippine islands of Jolo and Basilan. He commented on the necessity of providing "practical civil projects," such as cold storage facilities for fishermen, to enable local residents to earn a living by legitimate means. General Esperon also cited the example of a USAID-funded road project on Jolo that had reduced travel time between the towns of Patikul and Jolo City from 6 days to 45 minutes. Santos agreed that post-conflict development is an important component of the counterterrorism effort, observing that, in the past, the AFP might have "declared victory and withdrawn its forces too early."

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President Arroyo "Strong and Confident"

- 16. (C) Executive Secretary Eduardo Ermita and A/A/S Mull discussed the ramifications of the mid-term elections. Ermita commented that national media was "needling" him by focusing inordinately on opposition victories in the Senate. Ermita noted that the lower House remained solidly pro-Administration and that opposition victories are a sign of "democracy in action." Ermita highlighted positive trends in the economy, and wondered aloud about the negative nature of media coverage. He added that President Arroyo's current trip abroad, during the usually sensitive post-election period, demonstrates that the President is "strong and confident."
- 17. (C) Turning to the Mindanao peace process, Ermita observed that, after signing of a peace agreement with the MILF, former insurgents could integrate into civilian life and even run for public office. Ermita expressed hope that the Southern Philippine Development Authority (SPDA) would coordinate more in the future with USAID. (Note: while the Embassy has contact with the SPDA, our principal counterpart on assistance in Mindanao remains the Mindanao Economic Development Council under the office of the Presidential Advisor on the Peace Process. End note.)

Police Reform and Peacekeeping

18. (C) Philippine National Police (PNP) Deputy Director General Antonio Billones and other senior PNP officials described ongoing police reform in a separate meeting with A/A/S Mull. According to Billones, the lack of manpower is a primary concern, underscoring that the PNP needs an additional 50 - 70,000 officers to reach the appropriate police-to-population ratio. The PNP currently plans to hire an additional 6,000 officers above attrition on an annual

basis over the next five years.

- ¶9. (C) Billones expressed optimism that the PNP would participate in the Global Peacekeeping Operations Initiative once it begins. Billones gratefully acknowledged the value of ICITAP, ILEA and ATA law enforcement training courses, which many PNP officers have already attended.
- 110. (U) A/A/S Mull has cleared this message.

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